



CONDENSED INTERIM
FINANCIAL
STATEMENTS

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

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FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited	
Board of Directors of the Management Company	Sheikh Mukhtar Ahmed	Chairman
	Muhammad Waseem Mukhtar	Director
	Mr. Khalid A. Sherwani	Director
	Mr. M. Jawaid Iqbal	Director
	Muhammad Yaseen	Director
	Mr. M. Shakeb Murad	Director
	Mr. Kamran Nishat	Director
Chief Executive Officer:	Mr. Farid Ahmed Khan	
Chief Financial Officer & Company Secretary:	Mr. Faisal Nadeem Mangroria	
Audit Committee:	Mr. Kamran Nishat	Chairman
	Muhammad Waseem Mukhtar	Member
	Muhammad Yaseen	Member
Head of Internal Audit & Compliance	Mr. Saqib Matin	
Trustee:	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block - B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi.	
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisors:	Bawany & Partners Room No. 404, 4th Floor Beaumont Plaza, 6 -C1 -10, Beaumont Road, CivilLines, Karachi.	
Bankers:	Allied Bank Limited Bank Al- Falah Limited United Bank Limited	
Distributor:	Allied Bank Limited	
Registered Office:	11 - B, Lalazar, M. T. Khan Road, Karachi.	

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

ECONOMIC PERFORMANCE REVIEW

Pakistan's economy remains in a fragile state with major question marks hanging over achievement of growth and fiscal deficit targets. Floods in the Sind region during 1QFY12 along with continuous power crisis have severely hurt growth prospects. Furthermore, the circular debt issue, non-implement fiscal reforms and worsening energy crisis are hampering any prospects of economic revival. In midst of all these issues, the policy makers who remained largely passive in the last year, have recently adopted a more proactive approach. Firstly, the central bank cut the discount rate by 50bps to 13.5% in the July 2011 monetary policy (first cut since November 2009). Following the cut the authorities changed the base year for calculating the Consumer Price Index (CPI) which has led to a major drop in CPI in subsequent months (recorded at 11.47% for 1QFY12 vs 13.36% last year). Respite in inflationary pressures was sighted as the key reason behind the discount rate cut in July 2011. With interest rates in a downward trajectory, in anticipation of further monetary easing, yields eased off in the money markets. Rising trade deficit (recorded at USD 5.2bn for 1QFY12, +29% YoY) and weak remittance flows further added to the pressure on Rupee which depreciated by 1.8% over the period under review. Yet there was a lot of anticipation in the air at quarter end as prospects of interest rate cuts coupled with reduction in political noise gave rise to some optimism for the rest of this fiscal year.

MUTUAL FUND INDUSTRY REVIEW

The fixed income segment of mutual fund industry grew by 4.31% from PKR150.4 billion in June 2011 to PKR156.9 billion in September 2011. With inflation easing off, interest rates depicted a downward trend. This benefited fixed income funds in the form of capital gains on their long duration instruments holdings. Consequently, the income fund category grew by 10.60% to PKR40 billion in September 2011 from PKR36.2 billion in June 2011. As most income funds stand cleansed of toxic debt, investor mindset towards relatively higher returns has rekindled. However money market funds still dominate the industry due to their stable and relatively risk free investment profile.

FUND PERFORMANCE

During the period under review, ABL Income Fund's AUMs declined by 6.52% to PKR4.561 billion due to quarter end outflows. Despite losing ground due to money market funds, ABL Income Fund remained the largest fund in its category yielding competitive returns whilst maintaining a conservative investment policy. The unit price of ABL-IF increased by 3.526% during the quarter to close at 10.3728 (cum dividend) translating into an annualized return of 13.23%.

In 1Q2012, ABL-IF underperformed against its benchmark by 29bps which is due to its minimal investment holding in KIBOR linked instruments. Primary investments were in government securities entailing high duration, with remaining investments comprising of term deposits and money market placements. The strategy of maintaining a high duration boded well in the form of capital gains on both bonds and bills on market anticipation of an interest rate cut. Treasury Bills allocation was 45.13% of total assets where as placements with banks in cash and fixed deposits accounted for 42.84% of total assets. Moreover, competitive rates were negotiated with banks during the quarter which boosted base line yields. With interest rates showing respite, some good quality TFCs and Sukuks have been acquired constituting 7.55% of total assets. This strategy will help boost returns going forward.

OUTLOOK

Overall we remain cautious over economic situation and feel that achieving the GDP growth target of 4.2% for FY12 will be a hard task in the aftermath of the recent floods. The Rupee is expected to remain under pressure due to IMF repayments; however, healthy FX reserves (USD 17.35bn as of September 30, 2011) are expected to allow the central bank to manage the Rupee within acceptable levels. Interest rate trajectory remains down which will create opportunities for good gains in the capital markets. ABL-IF will continue to maintain high duration to take advantage of reduction in interest rates. Focus will also shift to quality debt instruments from corporate sector to support underlying yields in a low interest rate environment. However, primary investments will remain in government securities due to their low risk profile and stable returns.

DIVIDEND

Interim dividend distribution of Re.0.3158 per unit (3.16% of the par value of Rs.10) for the quarter ending September 30, 2011

FUND STABILITY RATING

On December 31, 2010, JCR-VIS reaffirmed the Fund Stability Rating of ABL Income Fund (ABL-IF) at 'A+(f)' (Single A Plus (f)), which denotes moderate degree of stability in Net Asset Value.

MANAGEMENT QUALITY RATING

On September 16, 2011, JCR-VIS Credit Rating Company upgraded the Management Quality Rating of ABL Asset Management Limited from 'AM3+' (AM Three Plus) to 'AM Two Minus' (AM2-). Outlook on the assigned rating is 'Stable'.

ACKNOWLEDGEMENT

We thank our valued investors who have placed their confidence in us. The Board is also thankful to Securities & Exchange Commission of Pakistan, State Bank of Pakistan, the Trustee (Central Depository Company of Pakistan Limited) and the management of Karachi Stock Exchange (Guarantee) Limited for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

For and on behalf of the Board


FARID AHMED KHAN
Chief Executive Officer

Karachi, October 25, 2011

ABL INCOME FUND CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at September 30, 2011

	Note	Unaudited September 30, 2011	Audited June 30, 2011
----- (Rupees in '000) -----			
ASSETS			
Bank balances	5	1,596,472	1,005,203
Investments	6	3,057,061	3,956,284
Profit receivable	7	21,776	24,389
Security deposits and prepayments		3,849	875
Preliminary expenses and floatation costs		1,970	2,222
Total assets		<u>4,681,128</u>	<u>4,988,973</u>
LIABILITIES			
Payable to ABL Management Company Limited - Management Company		9,750	8,063
Payable to Central Depository Company of Pakistan Limited - Trustee		443	413
Payable to Securities and Exchange Commission of Pakistan		1,005	4,917
Dividend Payable		67,730	61,081
Payable against redemption of units		282	3,115
Payable to broker against purchase of Investments		20,114	-
Accrued expenses and other liabilities		20,762	32,848
Total liabilities		<u>120,086</u>	<u>110,437</u>
NET ASSETS		<u>4,561,042</u>	<u>4,878,536</u>
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		<u>4,561,042</u>	<u>4,878,536</u>
CONTINGENCIES AND COMMITMENTS	9		
		Number of units	
NUMBER OF UNITS IN ISSUE		<u>455,116,780</u>	<u>486,903,898</u>
		Rupees	
NET ASSET VALUE PER UNIT		<u>10.0217</u>	<u>10.0195</u>
FACE VALUE PER UNIT		<u>10.0000</u>	<u>10.0000</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
CEO


MUHAMMAD YASEEN
DIRECTOR

ABL INCOME FUND CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

Note	For the Quarter Ended September 30, 2011	For the Quarter Ended September 30, 2010
----- (Rupees in '000) -----		
INCOME		
Net gain / (loss) on sale of Investments	11,214	(2,276)
Income from Government Securities	129,224	143,669
Income from Term Deposit Receipts	16,645	58,416
Income from Sukuk / Term Finance Certificates	12,025	-
Income from Certificates of Investment	-	2,369
Income from Certificates of Deposit	2,531	2,470
Income from Letters of Placement	8,093	13,875
Income from Reverse Repurchase transactions	7,209	22,142
Profit on bank accounts	6,015	6,783
	192,956	247,448
Unrealized appreciation on re-measurement of investments classified as "financial assets at fair value through profit or loss" - 'Held for trading'	3,748	418
Unrealized gain on revaluation of futures contracts	11	-
	196,715	247,866
EXPENSES		
Remuneration of ABL Asset Management Company Limited - Management Company	20,093	31,013
Sales Tax on Management Fee	3,215	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,339	2,320
Annual fee - Securities and Exchange Commission of Pakistan	1,005	1,551
Brokerage and other transaction costs	598	332
Bank charges	84	88
Auditors' remuneration	108	88
Amortisation of preliminary expenses and floatation costs	251	252
Printing charges	50	93
Listing fee	10	10
Annual rating fee	48	44
Other expenses	47	16
Total Expenses	26,848	35,807
Net income from operating activities	169,867	212,059
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	2,269	(47,137)
Provision for Workers' Welfare Fund	8	(3,195)
Net Income for the period before taxation	168,693	161,727
Taxation	-	-
Net income for the period after taxation	168,693	161,727
Other Comprehensive income period	-	-
Total comprehensive income for the period	168,693	161,727
Earnings per unit	10	

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
CEO


MUHAMMAD YASEEN
DIRECTOR

ABL INCOME FUND CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

	For the Quarter Ended September 30, 2011	For the Quarter Ended September 30, 2010
	----- (Rupees in '000) -----	
Opening Undistributed income -realised	10,584	17,772
- unrealised	(1,089)	(4,087)
	9,495	13,685
Net income for the period	168,693	161,727
Interim distribution:		
- Re 0.3158 per unit on September 27, 2011 (2010: Re 0.2701 per unit on September 29, 2010)		
- Cash distribution	(67,730)	(66,647)
- Issue of bonus units	(101,541)	(101,971)
	(169,271)	(168,618)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	957	(3,450)
Undistributed income carried forward	9,874	3,344
Undistributed income comprising:		
Realised income	6,126	2,926
Unrealised income	3,748	418
	9,874	3,344

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
CEO


MUHAMMAD YASEEN
DIRECTOR

ABL INCOME FUND CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

	For the Quarter Ended September 30, 2011	For the Quarter Ended September 30, 2010
	----- (Rupees in '000) -----	
Net Assets at beginning of period	4,878,536	8,360,054
Issued of 93,823,757 units(2010: 226,173,072)	949,155	2,282,715
Redemption of 135,764,979 units(2010: 436,880,180)	(1,365,343)	(4,440,372)
	(416,188)	(2,157,657)
Issue of 10,154,104 bonus units (2010: 10,197,054)	101,541	101,971
Net element of (income)/ loss and capital (gains) / losses included in prices of units issued less those in units redeemed		
- amount representing (income) / loss and capital (gains) / losses - transferred to Income Statement	(2,269)	47,137
- amount representing (income)/ loss and capital (gains)/ losses - transferred to distribution statement	(957)	3,450
	(3,226)	50,587
Other net income for the period	153,731	163,585
Capital gain / (loss) on sale of investments	11,214	(2,276)
Unrealised appreciation on re-measurement of investment at fair value through profit or loss - net	3,748	418
Total comprehensive income for the period	168,693	161,727
Interim distribution:		
- Re 0.3158 per unit on September 27, 2011 (2010: Re 0.2701 per unit on September 29, 2010)		
- Cash distribution	(67,730)	(66,647)
- Issue of bonus units	(101,541)	(101,971)
	(169,271)	(168,618)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	957	(3,450)
Net assets as at the end of the period	4,561,042	6,344,614

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
CEO


MUHAMMAD YASEEN
DIRECTOR



ABL INCOME FUND CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

Note	For the Quarter Ended September 30, 2011	For the Quarter Ended September 30, 2010
----- (Rupees in '000) -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income for the period	168,693	161,727
Adjustments for non - cash changes and other items:		
Amortization of preliminary expenses and floatation costs	251	252
Unrealized (appreciation) on re-measurement of investments classified as "financial assets at fair value through profit or loss" - 'Held for trading'	(3,748)	(418)
Net element of (income) / loss and capital gains / (losses) included in prices of units issued less those in units redeemed	(2,269)	47,137
Operating cash inflow	<u>162,927</u>	<u>208,698</u>
(Increase) / decrease in assets		
Profit receivable	2,613	41,775
Investments	102,962	1,400,717
Security deposits and prepayment	(2,964)	(530)
	102,611	1,441,962
Increase / (decrease) in liabilities		
Payable to ABL Management Company Limited - Management Company	1,687	(4,181)
Payable to Central Depository Company of Pakistan Limited - Trustee	30	(278)
Payable to Securities and Exchange Commission of Pakistan (SECP)	(3,912)	(5,493)
Payable to broker against purchase of Investments	20,114	-
Accrued expenses and other liabilities	(12,086)	8,944
	5,833	(1,008)
Net cash generated from operating activities	<u>271,371</u>	<u>1,649,652</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend Paid	(61,081)	(92,474)
Net payments / receipts against (redemption) / issuance of units	(419,021)	(2,179,848)
Net cash used / generated from financing activities	<u>(480,102)</u>	<u>(2,272,322)</u>
Net decrease in cash and cash equivalents	<u>(208,731)</u>	<u>(622,670)</u>
Cash and cash equivalents at the beginning of the year	2,205,203	3,663,489
Cash and cash equivalents at the end of the period	5.1 <u>1,996,472</u>	<u>3,040,819</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
CEO


MUHAMMAD YASEEN
DIRECTOR

ABL INCOME FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

1 LEGAL STATUS AND NATURE OF BUSINESS

ABL Income Fund (the Fund) was established under a Trust Deed executed on June 16, 2008 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed in accordance with the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules). The Securities and Exchange Commission of Pakistan (SECP) approved the revised/amended Trust Deed of the Fund on June 6, 2008. The Fund commenced its operations on September 20, 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by SECP on December 7, 2007. The registered office of the Management Company is situated at 11-B, Lalazar, M.T Khan Road, Karachi.

The Fund is an open ended mutual fund and is listed on the Karachi Stock Exchange (Guarantee) Limited. The units of the Fund are offered to public for subscription on a continuous basis. The units are transferable and are redeemable by surrendering them to the Fund. The units of the Fund were initially offered to public for subscription at par from September 17, 2008 to September 19, 2008 and thereafter these units are offered to public for subscription on a continuous basis.

The objective of the Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium and long-term instruments, both within and outside Pakistan. The Fund, in line with its investment objectives, invests primarily in money and debt markets, CFS, certificate of investments, clean placements, spread transactions, derivatives and other absolute return instruments.

The JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of 'AM2-' to the Management Company and Fund Stability Rating of 'A+(f)' to the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures in these condensed interim financial statements have been made in accordance with the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements for the quarter end September 30, 2011 are unaudited.

3 ACCOUNTING POLICIES

The accounting policies adopted in preparation of these condensed interim financial statements are the same as those applied in the preparation of the published financial statements of the Fund for the year ended June 30, 2011.

4 RISK MANAGEMENT

The Fund's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the financial statements for the year ended June 30, 2011.

	Note	Unaudited September 30, 2011	Audited June 30, 2011
----- (Rupees in '000) -----			
5 BANK BALANCES			
Saving accounts	5.2	1,596,472	1,005,203
		<u>1,596,472</u>	<u>1,005,203</u>

		Unaudited September 30, 2011	Audited June 30, 2011
----- (Rupees in '000) -----			
5.1 CASH AND CASH EQUIVALENTS			
Balances with banks		1,596,472	1,005,203
Term deposit receipts		400,000	1,200,000
		<u>1,996,472</u>	<u>2,205,203</u>

5.2 These saving accounts carrying mark-up at rates ranging from 5.00% to 13.56% (June 30, 2011: 5.00% to 13.90%) per annum . Deposits in savings accounts include Rs. 19,290,002 (June 30, 2011: Rs. 28,412,652) maintained with Allied Bank Limited, a related party.

6 INVESTMENTS

Financial assets at fair value through profit or loss - held for trading

- Government Treasury Bills	6.1	2,103,547	1,597,246
- Pakistan Investment Bonds	6.2	181,584	23,816
- Ijarah Sukuk	6.3	-	660,222
- Term Finance Certificates / sukuk	6.4	351,769	125,000
- Spread Transactions - Ready Future	6.5	20,161	-
Loans and receivables	6.7	400,000	1,550,000
		<u>3,057,061</u>	<u>3,956,284</u>

6.1 Government Treasury Bills:

Issue date	Tenor	Face Value				Balance as at September 30, 2011			Market value as a percentage of net assets	Market value as a percentage of total investment
		As at July 1, 2011	Purchased during the period	Disposed off / matured during the period	As at September 30, 2011	Carrying value	Market value	Appreciation / (diminution)		
Rupees in '000-										
February 10, 2011	6 Months	500	257,000	257,500	-	-	-	-	0.00%	0.0%
February 10, 2011	12 Months	-	300,000	300,000	-	-	-	-	0.00%	0.0%
February 24, 2011	3 Months	-	-	-	-	-	-	-	0.00%	0.0%
February 24, 2011	6 Months	240,000	450,000	690,000	-	-	-	-	0.00%	0.0%
March 10, 2011	3 Months	-	-	-	-	-	-	-	0.00%	0.0%
March 10, 2011	6 Months	189,000	85,000	274,000	-	-	-	-	0.00%	0.0%
March 24, 2011	3 Months	-	-	-	-	-	-	-	0.00%	0.0%
March 24, 2011	6 Months	-	-	-	-	-	-	-	0.00%	0.0%
March 24, 2011	12 Months	375,000	-	12,750	362,250	340,419	341,180	761	7.48%	11.2%
April 7, 2011	3 Months	-	-	-	-	-	-	-	0.00%	0.0%
April 7, 2011	6 Months	-	902,500	840,000	62,500	62,388	62,386	(2)	1.37%	2.0%
April 21, 2011	3 Months	-	100,000	100,000	-	-	-	-	0.00%	0.0%
April 21, 2011	6 Months	200,000	-	200,000	-	-	-	-	0.00%	0.0%
May 5, 2011	3 Months	5,000	482,000	487,000	-	-	-	-	0.00%	0.0%
May 5, 2011	6 Months	250,000	612,000	862,000	-	-	-	-	0.00%	0.0%
May 19, 2011	3 Months	-	-	-	-	-	-	-	0.00%	0.0%
May 19, 2011	6 Months	118,900	725,000	743,900	100,000	98,324	98,315	(9)	2.16%	3.2%
May 19, 2011	12 Months	-	-	-	-	-	-	-	0.00%	0.0%
June 2, 2011	3 Months	100,000	75,000	175,000	-	-	-	-	0.00%	0.0%
June 2, 2011	6 Months	200,000	325,000	525,000	-	-	-	-	0.00%	0.0%
June 16, 2011	3 Months	-	-	-	-	-	-	-	0.00%	0.0%
June 16, 2011	6 Months	-	324,000	-	324,000	315,569	315,457	(112)	6.92%	10.3%
June 16, 2011	12 Months	-	-	-	-	-	-	-	0.00%	0.0%
July 14, 2011	3 Months	-	366,000	300,000	66,000	65,881	65,879	(2)	1.44%	2.2%
July 14, 2011	12 Months	-	100,000	100,000	-	-	-	-	0.00%	0.0%
July 28, 2011	3 Months	-	310,000	310,000	-	-	-	-	0.00%	0.0%
July 28, 2011	6 Months	-	350,000	350,000	-	-	-	-	0.00%	0.0%
August 11, 2011	3 Months	-	850,000	849,050	950	939	939	-	0.02%	0.0%
August 11, 2011	6 Months	-	755,000	755,000	-	-	-	-	0.00%	0.0%
August 11, 2011	12 Months	-	425,000	425,000	-	-	-	-	0.00%	0.0%
August 25, 2011	3 Months	-	76,500	76,500	-	-	-	-	0.00%	0.0%
August 25, 2011	6 Months	-	225,000	148,500	76,500	75,218	75,211	(7)	1.65%	2.5%
August 25, 2011	12 Months	-	1,193,300	259,000	934,300	835,657	836,903	1,246	18.35%	27.4%
September 8, 2011	3 Months	-	-	-	-	-	-	-	0.00%	0.0%
September 8, 2011	6 Months	-	-	-	-	-	-	-	0.00%	0.0%
September 8, 2011	12 Months	-	970,000	970,000	-	-	-	-	0.00%	0.0%
September 22, 2011	3 Months	-	-	-	-	-	-	-	0.00%	0.0%
September 22, 2011	6 Months	-	325,000	11,000	314,000	295,584	295,735	151	6.48%	9.7%
September 22, 2011	12 Months	-	471,400	458,400	13,000	11,515	11,542	27	0.25%	0.4%
Total - September 30, 2011		1,678,400	11,054,700	10,479,600	2,253,500	2,101,494	2,103,547	2,053	46.12%	0.69
Total - June 30, 2011		4,145,000	43,937,886	46,404,486	1,678,400	1,599,121	1,597,246	(1,875)	33%	40%

6.2 Pakistan Investment Bonds:

Issue date	Tenor	Face Value				Balance as at September 30,			Market value as a percentage of net assets	Market value as a percentage of total investment
		As at July 1, 2011	Purchased during the period	Disposed off / matured during the period	As at September 30, 2011	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----										
July 22, 2010	3 Years	25,000	311,500	311,500	25,000	23,947	24,293	346	0.53%	0.8%
August 18, 2011	3 Years	-	100,000	59,000	41,000	39,180	39,269	89	0.86%	1.3%
August 18, 2011	5 Years	-	50,000	-	50,000	46,826	47,246	420	1.04%	1.5%
August 18, 2011	10 Years	-	118,000	43,000	75,000	69,972	70,776	804	1.55%	2.3%
Total - September 30, 2011		25,000	579,500	413,500	191,000	179,925	181,584	1,659	4.0%	6%
Total - June 30, 2011		-	650,000	625,000	25,000	23,802	23,816	14	0.50%	1%

6.3 Ijarah sukuk

Issue date	Tenor	Face Value				Balance as at September 30, 2011			Market value as a percentage of net assets	Market value as a percentage of total investment
		As at July 1, 2011	Purchased during the period	Disposed off / matured during the period	As at September 30, 2011	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----										
November 15, 2010	3 Years	-	-	-	-	-	-	-	0.00%	0.0%
March 7, 2011	3 Years	120,000	44,000	164,000	-	-	-	-	0.00%	0.0%
May 16, 2011	3 Years	539,200	142,000	681,200	-	-	-	-	0.00%	0.0%
Total - September 30, 2011		659,200	186,000	845,200	-	-	-	-	0.00%	0%
Total - June 30, 2011		-	1,695,000	1,035,800	659,200	659,450	660,222	772	14%	17%

6.4 Term Finance Certificates / sukuk:

Name of the investee company	Profit / Markup Rate %	Number of Certificates				Balance as at September 30, 2011			Market value as a percentage of net assets	Market value as a percentage of total investment
		As at July 1, 2011	Purchased during the period	Disposed off / matured during the period	As at September 30, 2011	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----										
Faysal Bank Limited- II	6 months KIBOR plus +1.5%	-	2,000	2,000	-	-	-	-	0.00%	0.0%
Bank Alfalah Limited- IV Fixed	15%	-	28,400	5,550	22,850	116,808	116,826.00	18.00	2.56%	3.8%
United Bank Limited - IV	6 months KIBOR plus 0.85%	-	2,000	-	2,000	9,921	9,943	22.00	0.22%	0.3%
Hub Power Company Limited	14.47%	-	20,000	-	20,000	100,000	100,000	-	2.19%	3.3%
Kot Addu Power Company Limited	14.89%	25,000	-	-	25,000	125,000	125,000	-	2.74%	4.1%
Sui Southern Gas Company Limited	3 months KIBOR plus 0.20%	-	8,700	8,700	-	-	-	-	0.00%	0.0%
Total - September 30, 2011		25,000	61,100	16,250	69,850	351,729	351,769	40	7.7%	11.5%
Total - June 30, 2011		-	78,106	53,106	25,000	125,000	125,000	-	2.60%	3.20%

6.5 Shares of listed companies

Name of the investee company	Number of shares				Balance as at September 30, 2011			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 1, 2011	Purchased during the period	Sales during the period	As at September 30, 2011	Carrying value	Market value	Appreciation/ (diminution)		

-----Rupees in '000-----

shares of listed companies - Fully Paid ordinary shares of Rs. 10 each unless stated otherwise.

Personal Goods

Nishat Mills Limited	-	132,000	-	132,000	6,326	6,347	21	0.14%	0.2%
	-	132,000	-	132,000	6,326	6,347	21		

Oil and Gas

Pakistan Oilfield Limited	-	37,500	-	37,500	13,839	13,814	(25)	0.30%	0.5%
	-	37,500	-	37,500	13,839	13,814	(25)		

Total - September 30, 2011	-	169,500	-	169,500	20,165	20,161	(4)	0.44%	0.66%
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6.6 Net unrealised diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - 'held for trading'

Unaudited
September 30,
2011

Audited
June 30,
2011

----- (Rupees in '000) -----

Market value of securities	2,657,061	2,406,284
Less: carrying value of securities	2,653,313	2,407,373
	<u>3,748</u>	<u>(1,089)</u>

Note

Unaudited
September 30,
2011

Audited
June 30,
2011

----- (Rupees in '000) -----

6.7 Loans and receivables

Term Deposit Receipt	6.7.1	400,000	1,200,000
Letter of Placements		-	350,000
		<u>400,000</u>	<u>1,550,000</u>

6.7.1 Term Deposit Receipts carry mark-up at rate of 13.75% (June 30, 2011: 13.75% to 13.98%) per annum and maturity at November 26, 2011 (June 30, 2011: July 25, 2011 to July 28, 2011).

	Unaudited September 30, 2011	Audited June 30, 2011
	----- (Rupees in '000) -----	
7 PROFIT RECEIVABLE		
Interest accrued on Term Deposit Receipts	4,822	2,304
Markup accrued on bank deposits	1,028	3,918
Interest accrued on Pakistan Investment Bonds	2,884	1,233
Profit accrued on Ijarah Sukuk - Government of Pakistan	-	14,357
Profit accrued on unlisted debt securities	13,042	204
Interest accrued on Letters of Placements	-	2,373
	21,776	24,389

8. Provision for workers' welfare fund

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, the said petitions reserved earlier were subsequently became time barred. Recently Lahore High Court made an order against the WWF levy, which provides further comfort to management company's views on the subject. Sindh High Court merged all nine petitions filed by the MUFAP members and hearing on the single merge petition will be started soon.

As the matter relating to levy of WWF is currently pending in the court, the Management Company, as a matter of abundant caution, has decided to make provision for WWF amounting to Rs 3.443 million in these condensed interim financial statements.

9. CONTINGENCIES AND COMMITMENTS

These were no contingencies and/ or commitments as at September 30, 2011 and June 30, 2011.

10 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as, in the opinion of management, the determination of weighted average units for calculating EPU is not practicable.

11 TRANSACTIONS WITH CONNECTED PERSONS/ RELATED PARTIES

Connected persons/ related parties include ABL Asset Management Company Limited being the Management Company, Allied Bank Limited, ABL Asset Management Company Limited - Staff Provident Fund, ABL- Employees Superannuation (Pension) Fund and ABL- Staff Provident Fund being entities under common management and/ or directorship, Central Depository Company being the trustee of the fund and the directors and officers of the management company.

Transactions with connected persons/related parties are in the normal course of business, at contracted rates and terms determined in accordance with market norms.

	For the Quarter Ended September 30, 2011	For the Quarter Ended September 30, 2010
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----- (Rupees in '000) -----

Details of transactions with connected persons/
related parties are as follows:

**ABL Asset Management Company Limited
- Management Company**

Issue of Nil units (2010: 994,886)	-	10,000
Bonus of 135,064 units (2010: 188,458)	1,351	1,885
Redemption of Nil units (2010: 17,453,388)	-	176,200
Remuneration for the period	20,093	31,013

Allied Bank Limited

Cash dividend	23,685	20,258
Markup income	785	797
Bank charges	22	13
Placement of Term Deposit Receipts	-	650,000

ABL Asset Management Company Limited - Staff Provident Fund

Bonus of Nil units (2010: 3,619)	-	37
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ABL- Employees Superannuation (Pension) Fund

Cash dividend	12,594	10,772
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ABL- Staff Provident Fund

Cash dividend	835	714
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CHAIRMAN OF THE MANAGEMENT COMPANY

Sheikh Mukhtar Ahmad

Bonus of 421 units (2010: 323)	4	3
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	For the Quarter Ended September 30, 2011	For the Quarter Ended September 30, 2010
	----- (Rupees in '000) -----	

DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Muhammad Javaid Iqbal

Bonus of 1,057 units (2010: 1,714)	10	17
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Mr. Muhammad Shakeb Murad

Sales of 29,951 units (2010: Nil)	300	-
Bonus of 2,002 units (2010: 810)	20	8

KEY MANAGEMENT PERSONNEL

Chief Executive Officer

Issue of 14,664 units (2010: Nil)	150	-
Redemption of 227,513 units (2010: Nil)	2,300	-
Bonus of 33,204 units (2010: 42,094)	333	421

Executives

Bonus of 946 units (2010: 1,277)	9	13
Redemption of 6,777 units (2010: 114,719)	68	1,157

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the period	1,339	2,320
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	Unaudited	Audited
	September 30,	June 30,
	2011	2011
	----- (Rupees in '000) -----	

AMOUNTS OUTSTANDING AS AT PERIOD / YEAR ENDED

ABL Asset Management Company Limited - Management Company

Outstanding 4,411,949 units (June 30 2011: 4,276,885)	44,215	42,852
Preliminary expenses and floatation costs payable	2,000	2,000
Remuneration payable to management company	6,681	6,063
Sales Tax Payable	1,069	-

	Unaudited September 30, 2011	Audited June 30, 2011
	----- (Rupees in '000) -----	
Allied Bank Limited		
Outstanding 75,000,000 units (June 30 2011: 75,000,000)	751,628	751,463
Cash dividend payable	23,685	21,360
Bank balances	19,290	28,413
Mark - up accrued	200	134
ABL- Employees Superannuation (Pension) Fund		
Outstanding 39,880,238 units (June 30, 2011: 39,880,238)	399,668	399,580
Cash dividend payable	12,594	11,358
ABL- Staff Provident Fund		
Outstanding 2,644,829 units (June 30, 2011: 2,644,829)	26,506	26,500
Cash dividend payable	835	753
CHAIRMAN OF THE MANAGEMENT COMPANY		
Sheikh Mukhtar Ahmad		
Outstanding 13,761 units (June 30, 2011: 13,340)	138	134
DIRECTORS OF THE MANAGEMENT COMPANY		
Mr. Muhammad Javaid Iqbal		
Outstanding 34,542 units (June 30, 2011: 33,485)	346	336
Mr. Muhammad Shakeb Murad		
Outstanding 65,400 units (June 30, 2011: 33,448)	655	335
KEY MANAGEMENT PERSONNEL		
Chief Executive Officer		
Outstanding 1,084,621 units (June 30, 2011: 1,264,266)	10,870	12,667

	Unaudited September 30, 2011	Audited June 30, 2011
	----- (Rupees in '000) -----	

Executives

Outstanding 30,907 units (June 30, 2011: 36,739)	310	368
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Central Depository Company of Pakistan Limited - Trustee

Payable to Central Depository Company of Pakistan Limited	443	413
Security Deposit Receivable	100	100

12 GENERAL

12.1 Figures have been rounded off to the nearest thousand rupees.

13 DATE OF AUTHORISATION FOR ISSUE

13.1 These condensed interim financial statements were authorized for issue on October 25, 2011 by the Board of Directors of the Management Company.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
CEO


MUHAMMAD YASEEN
DIRECTOR

 **ABL Asset Management**
Discover the potential


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ABL-INCOME FUND

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